

Janet Napolitano
Governor



William Bell
Director

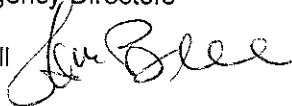
ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

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(602) 542-1500

MEMORANDUM

TO: Cabinet Agency Directors
FROM: William Bell 
DATE: October 8, 2008
SUBJECT: General Fund Contract and Expenditure Review

Governor Napolitano announced today that, effective immediately, all **General Fund** potential contracts, contract renewals, contract extensions, purchases and expenditures from existing contracts are subject to review by the Arizona Department of Administration (ADOA) **in advance of their execution**. The threshold for this review is **\$50,000** in total General Fund expenditures for FY 2009. In other words, if you are contemplating creation of a new contract or extension of an existing contract under which at least \$50,000 will be spent in General Fund this fiscal year, this review will apply. Under an existing contract, if your agency has planned expenditures in total exceeding \$50,000 General Fund for the fiscal year, a review is required prior to initial expenditure or further expenditure.

The ADOA State Procurement Office (SPO) has developed a template which is attached. This template should be returned electronically to the email address shown on the form. The form is also available electronically on SPO's website at www.azdoa.gov/spo/agency-resources. SPO is also developing a set of questions and answers which will be distributed in the near future to assist you in preparation of the Expenditure and Procurement Authorization form.

This measure is an effort to carefully scrutinize the commitment and expenditure of scarce General Fund resources. Expenditures should be planned in accordance with your agency's assigned budget savings measures and reflected in the monthly expenditure projection worksheets which the Governor's Office of Strategic Planning and Budgeting requires.

While ADOA will provide this review as expeditiously as possible, it is important that your agency contact respond to additional requests for information in a timely manner so that critical procurements and purchases are disrupted to the least extent possible.

If you have any questions related to this review, please contact me directly at (602) 542-1500, or Jean Clark, State Procurement Administrator, at (602) 542-9136.

cc: Jan Leshner, Governor's Chief of Staff

Attachment